

ADOT Professional Services Task Force Meeting

Date & Time: February 24, 2011, 1:30 p.m. to 3:30 p.m.

Location: ADOT HRDC

Attendees: Steve Gangwal, Dawn Cartier, Melissa Boyles, Jeremy Bader, Anne Marie Haenfler, Merwin Yellowhair, Dennis Roberts, Catherine Alcorn, Michael Book, Enamual Hoque, Anoop Batra, Ken Pratt, Joseph Spadafino, Ogbonna Abarikwu, Omar Cervantes, Javier Guana, BJ Raval, Robin Liewellyn, Sabrina Drago, Andrew Haines, Manuel Palacios, Peter Hemingway, Mary lou Tamplin, Jeff Andrews, Amara Ibeji, Floyd Roehrich, Mohammad Rohman, Chris Graff, John Landry, Jim Shumann, Frank Rivera.

Professional Services Task Force Summary:

The ADOT Professional Services Task Force was formed to identify the barriers faced by DBE professional services firms when attempting to do ADOT work. The task force will attempt to solve barriers to entry for professional services firms.

Meeting Minutes

1. Call to Order: The meeting was called to order by Steve Gangwal, Task Force Chair, at 1:35 p.m. The meeting began with introductions for the benefit of all the new members.
2. Guest Speaker: Floyd Roehrich, ADOT State Engineer, discussed the meeting he and the Task Force leadership had with the director's office. He stated that ADOT was very pleased to see that the Task Force was formed and the processes they were taking to solve problems within ADOT. Roehrich said ADOT wants to be part of the Task Force meetings and would like to send a representative to them, whether it is Nancy Gomez, Melissa Boyles, or himself. He affirmed ADOT's commitment, stating that "this is a big deal to ADOT," and he wants to be sure they are proactive.
 - a. Roehrich talked about how they discussed implementation of goals and contracts, conditions of awards, and contract enforcement. ADOT is moving on the items discussed but they are moving slowly. They want to be able to insure perfection. The goal setting methodology is out and will be on construction projects within the next month.
 - b. Roehrich hoped to see the Task Force really tackle problems having to do with procedure and policy. He isn't sure if looking project to project will really do very much help for the members of the Task Force.
 - c. The director's office, State Engineer's office, and Civil Rights office have made a commitment to make their process competitive across the community and they intend to stick to their implementation, although it is slow going.
 - d. The floor was opened for questions. The questions and answers are paraphrased below.
 1. Michael Book – Do the goals that are set have to do with selection? Will goals have an impact on current contracts?

ANSWER: Only contracts let after goals are made will be affected. Goals are not retroactive.

2. Omar Cervantes: Sometimes policy requires ADOT experience. We all don't have experience. What is the director's office doing to help these firms?

Roehrich: We could be missing out on a great experience from contractors that have lots of construction work experience. I don't have an answer, but they have considered removing that statement, but it hasn't been decided yet.

Cervantes: At some point the firms with experience were given opportunity; we are just looking for opportunity.

3. Anoop Batra: Do you look at the individuals' experience in a firm or the firms' experience as a whole?

Roehrich: That depends on the panel. The panel could look at firm's capabilities or the firm as a whole. The selection process is trying to get worked out but there are some variables that make it hard to find a better process.

Melissa Boyles suggested adding individual experience and firm experience to the Task Force agenda. She recommended articulating the issue, getting it to ADOT personal, and trying to find a solution. Floyd said he could set up a meeting with Task Force leadership, Melissa Boyles, the appropriate person, and himself.

4. Ken Pratt: Did you say the work load factor program is not in effect?

Roehrich: That's correct there is no standard method to include work load factor.

Pratt: Is there anything in place at the prime level where the state watches what DBEs are being used and by whom?

Roehrich: They didn't do much to watch that before, but now that there will be goals. We plan to be watching that.

Ken Pratt: Mentor/Protégée Program – Does ADOT offer any potential incentive to primes to mentor DBE's?

Roehrich: We are working on the program but there is currently no incentive for primes. If you have any recommendations we can discuss them.

- e. Steve Gangwal thanked Floyd Roehrich for taking the time to speak with the task force and thanked the director's office for moving so quickly on items discussed at their meeting.
- 3. Melissa Boyles, Civil Rights Administrator, reviewed the audit of the DBE program by FHWA.
 - a. She reported that the results sounded pretty weak. On a scale of Green, Yellow, Red, green being the best, ADOT is considered to be in the "Red" for assessing risk. The audit gave time to share with the FHWA the steps that ADOT is taking to improve. The FHWA seemed very confident that the next time they are here, ADOT will have a good, model program in place. Boyles feels that thanks to the great amount of leadership support that will not be a problem.
 - b. There were 16 major findings from the audit, but only 14 had to do with the DBE program. Boyles outlined those for the task force, as follows:
 - 1. ADOT is not fully capturing DBE participation and is required to per federal regulations. A policy change needs to occur to capture and count lower tier DBE subcontracting activity.
 - 2. ADOT data is incomplete/insufficient. The agency is not capturing 100% of DBE activity; lower tier, percentages for fees / commissions, sub-recipient activity, etc.
 - 3. ADOT has no DBE program plan.
 - 4. ADOT has to develop enforcement mechanisms for return of retention.
 - 5. ADOT is not conducting the appropriate level of oversight on sub-recipients and needs to conduct regular audits.
 - 6. ADOT has no mechanism for ensuring commercially useful function compliance post award.
 - 7. ADOT is not monitoring and enforcing prompt payment requirements for all subcontractors.
 - 8. ADOT Semi Annual Reports for 2008 and 2009 were incorrect. The 2010 year-end report was incorrect; incomplete data and failed to document full fiscal year's activities.
 - 9. ADOT has not policy for the use of joint checks.
 - 10. ADOT is not ensuring the inclusion of the 1273 and all civil rights assurances in subcontracts.
 - 11. ADOT is not monitoring the use of DBE trucking firms closely to ensure that crediting is done properly.
 - 12. ADOT has not submitted a formal plan to reinstitute its race-conscious program nor has it reported against that plan as instructed.
 - 13. ADOT's ability to implement the DBE program at the field level is questionable. Training needs to occur with all affected personnel.
 - 14. ADOT's ability to deliver the changing program, from a programmatic staffing level, is questionable. A DBE program compliance needs assessment needs to be done.
 - c. Steve thanked Melissa Boyles for coming and sharing the results of the FWHA Audit to the task force.
- 4. Action items

- a. Participants were reminded to check their NAICS codes, if they have not done so already.
 - b. Recommend any ideas or topics for the next meeting.
 - c. The task force leadership will follow up with the issue with ADOT basing projects on firms experience as to individual experience.
5. Meeting adjourned at 3:30 p.m.

Minutes submitted by Jeremy Bader, Project Coordinator, Kuniklo Corporation.